

Membership Balance Plan
Department of Defense Medicare-Eligible-Retiree Health Care Board of Actuaries

Agency: Department of Defense (DoD)

1. Authority: The Secretary of Defense, pursuant to 10 U.S.C. § 1114(a)(1) and in accordance with the Federal Advisory Committee Act (FACA) of 1972 (5 U.S.C., Appendix, as amended) and 41 C.F.R. § 102-3.50(a), established the Department of Defense Medicare-Eligible Retiree Health Care Board of Actuaries (“the Board”).
2. Mission/Function: The Board, pursuant to 10 U.S.C. §§ 1114(b) and (c), provides the Secretary of Defense and the Deputy Secretary of Defense independent advice and recommendations related to the actuarial status of the Department of Defense Medicare-Eligible Retiree Health Care Fund (“the Fund”), as discussed in more detail in the charter.
3. Points of View: The Board consists of three members appointed by the Secretary of Defense from among qualified professional actuaries who are members of the Society of Actuaries and have extensive backgrounds in actuarial matters associated with retiree health care.

Board members appointed by the Secretary of Defense or the Deputy Secretary of Defense, who are not full-time or permanent part-time Federal officers or employees, shall be appointed as experts or consultants pursuant to 5 U.S.C. § 3109 to serve as special government employee (SGE) members. Board members appointed by the Secretary of Defense or Deputy Secretary of Defense, who are full-time or permanent part-time Federal officers or employees, are appointed pursuant to 41 C.F.R. § 102-3.130(a) to serve as regular government employee (RGE) members.

The DoD, in selecting potential candidates for the Board, reviews the educational and professional credentials of individuals and bases its selection on this review and the subject matters being handled by the Board. The Department has found that viewing the complex issues facing the Department through a multidisciplinary advisory committee provides the Department and, more importantly, the American public with a broader understanding of the issues on which to base subsequent policy decisions.

The Board’s membership balance is not static and the Secretary of Defense may change the membership based upon work assigned to the Board by the Secretary of Defense, the Deputy Secretary of Defense, or the USD(P&R), as the DoD Sponsor. The DoD, unless otherwise directed by an Act of Congress or Presidential directive, does not use representative members on DoD-established or supported advisory committees.

4. Other Balance Factors: NA
5. Candidate Identification Process: DoD, in selecting potential candidates for the Board, reviews the educational and professional credentials of individuals from among qualified professional actuaries who are members of the Society of Actuaries.

Potential candidates are identified by the DoD Office of the Actuary (OACT), which contains all of the Department’s actuarial expertise. The OACT consults with various actuarial bodies, including the American Academy of Actuaries, and with the Board members themselves.

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Once potential candidates are identified, the Designated Federal Officer, in consultation with OACT, reviews the credentials of each individual and narrows the list of potential candidates. During the review, he or she strives to achieve a balance between the educational and professional credentials of the individuals and the anticipated subject matters to be reviewed by the Board to achieve expertise in points of view to be represented and functions to be performed.

After the list of candidates has been narrowed, it is forwarded to the USD(P&R) for further scrutiny and formal nomination to the Secretary of Defense or the Deputy Secretary of Defense. Prior to nominating the potential candidates, the list of candidates will undergo a review by the Office of the General Counsel for the Department of Defense and the Advisory Committee Management Officer (ACMO) to ensure compliance with Federal and DoD governance requirements, including compliance with the Board's charter and membership balance plan. Following this review, the USD(P&R) discusses his or her potential nominees with the Secretary of Defense or the Deputy Secretary of Defense and receives authority to proceed with the nominations.

Pursuant to DoD policy, only the Secretary or the Deputy Secretary of Defense can invite or approve the appointment of individuals to serve on DoD established or supported advisory committees and subcommittees. The Secretary of Defense or the Deputy Secretary of Defense may approve the appointment of members to the Board for a 15-year term of service, except those Board members appointed to fill a vacancy occurring before the end of the term for which the predecessor was appointed will serve only until the end of such term. Board members may serve after the end of the term until a successor has taken the oath of office. The Board membership appointments are staggered so that a new member is appointed to the Board every five years. No Board member may be reappointed for successive terms. The USD(P&R), as the Board's Sponsor, is authorized to administratively certify the appointment of Board members that were previously approved by the Secretary or Deputy Secretary of Defense.

Following approval or authorization to proceed with the appointment by the Secretary of Defense or the Deputy Secretary of Defense, the candidates are required to complete the necessary appointment paperwork, to include meeting ethics requirements stipulated by the Office of Government Ethics for advisory committee members who are appointed as SGE members.

Membership vacancies for the Board will be filled in the same manner as described in the previous five paragraphs above.

6. Subcommittee Balance: The DoD has determined that subcommittees will not be authorized for this Board.
7. Other: As nominees are considered for appointment to the Board, the DoD adheres to the Office of Management and Budget's Revised Guidance on Appointment of Lobbyists to Federal Committees, Boards, and Commissions (79 FR 47482; August 13, 2014) and the rules and regulations issued by the Office of Government Ethics.

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8. Date Prepared/Updated: March 27, 2015